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BEFORE THE ARIZONA CORPORATION COMMISSION

2	<u>COMMISSIONERS</u>	RECEIVED
3	KRISTIN K. MAYES, Chairman	2009 JAN 30 P 1: 48
4	GARY PIERCE PAUL NEWMAN	A7 5000 0000000000
5	SANDRA D. KENNEDY	AZ CORP COMMISSION DOCKET CONTROL
6	BOB STUMP	
7	IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY FOR AN	DOCKET NO. W-01445A-06-0199
8	EXTENSION OF ITS EXISITNG CERTIFICATE OF CONVENIENCE AND NECESSITY.	
9	IN THE MATTER OF THE APPLICATION OF	DOCKET NO. SW-03575A-05-0926
10	PALO VERDE UTILITIES COMPANY FOR AN	2 0 0121 1(0. 5 W 03373/1 03-0720
11	EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.	
12	IN THE MATTER OF THE APPLICATION OF	DOCKET NO. W-03576A-05-0926
13	SANTA CRUZ WATER COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE	
	OF CONVENIENCE AND NECESSITY.	
14	IN THE MATTER OF THE APPLICATION OF	DOCKET NO. SW-03575A-07-0300
15	PALO VERDE UTILITIES COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE	
16	OF CONVENIENCE AND NECESSITY.	
17	IN THE MATTER OF THE APPLICATION OF	DOCKET NO. W-03576A-07-0300
18	SANTA CRUZ WATER COMPANY FOR AN EXTENSION OF ITS CERTIFICATE OF	
	CONVENIENCE AND NECESSITY.	
19	ARIZONA WATER COMPANY, AN ARIZONA	DOCKET NO. W-01445A-06-0200
20	CORPORATION,	DOCKET NO. SW-20445A-06-0200
21	COMPLAINANT,	DOCKET NO. W-20446A-06-0200 DOCKET NO. W-03576A-06-0200
22	VS.	DOCKET NO. SW-03575A-06-0200
23	GLOBAL WATER RESOURCES, LLC, A	
24	FOREIGN LIMITED LIABILITY COMPANY; GLOBAL WATER RESOURCES, INC., A	
	DELAWARE CORPORATION; GLOBAL WATER MANAGEMENT, LLC, A FOREIGN	Arizona Comeration Commission
25	LIMITED LIABILITY COMPANY; SANTA	DOCKETED
26	CRUZ WATER COMPANY, LLC, AN ARIZONA LIMITED LIABILITY CORPORATION; PALO	JAN 3 0 2009
27	VERDE UTILITIES COMPANY, LLC, ÁN	
	ARIZONA LIMITED LIABILITY CORPORATION; GLOBAL WATER – SANTA	DOCKETED BY M
28	COLUMNITION, GLODAL WATER - SANTA	

CRUZ WATER COMPANY, AN ARIZONA CORPORATION; GLOBAL WATER – PALO VERDE UTILITILIES COMPANY, AN ARIZONA CORPORATION; JOHN AND JANE DOES 1-20; ABC ENTITITES I-XX.

RESPONDENTS.

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IN THE MATTER OF THE JOINT APPLICATION OF CP WATER COMPANY AND FRANCISCO GRANDE UTILITIES COMPANY TO TRANSER THEIR CERTIFICATES OF CONVENIENCE AND NECESSITY AND ASSETS TO PALO VERDE UTILITIES COMPANY AND SANTA CRUZ WATER COMPANY.

DOCKET NO. WS-01775A-07-0485 DOCKET NO. SW-03575A-07-0485 DOCKET NO. W-02442A-07-0485 DOCKET NO. W-03576A-07-0485

PROCEDURAL ORDER

BY THE COMMISSION:

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On March 29, 2006, Arizona Water Company ("AWC") filed with the Arizona Corporation Commission ("Commission") a Complaint in Docket Nos. W-01445A-06-0200, SW-20445A-06-0200, W-20446A-06-0200, W-03576A-06-0200, and SW-03575A-06-0200 ("Complaint Proceeding") against Global Water Resources, LLC, Global Water Resources, Inc., Global Water Management, LLC, Santa Cruz Water Company, LLC, Palo Verde Utilities Company, LLC, Arizona Global Water – Santa Cruz Water Company and Arizona Global Water – Palo Verde Utilities Company (collectively "Global Water").

Prior to and during the pending Complaint Proceeding, AWC and various Global Water entities filed applications with the Commission to extend their respective Certificates of Convenience and Necessity ("CC&Ns") in Pinal County, including applications where the requested CC&N areas overlapped. The CC&N extension applications were filed in Docket Nos. W-03576A-07-0300, W-01445A-06-0199, SW-03575A-05-0926, W-03576A-05-0926, W-03576A-07-0300 and SW-03575A-07-0300 ("Contested CC&N Proceedings").

On July 17, 2007, AWC filed, in Docket No. W-03576A-07-0300 et. al., a Motion to Consolidate Docket Nos. W-01445A-06-0199, SW-03575A-05-0926, W-03576A-05-0926, W-03576A-07-0300 and SW-03575A-07-0300. By Procedural Order issued December 20, 2007, the Motion to Consolidate was granted.

On August 20, 2007, Francisco Grande Utilities Company ("Francisco Grande") and CP

Water Company ("CP") filed in Docket Nos. WS-011775A-07-0485, SW-03575A-07-0485, W-02442A-07-0485 and W-03576A-07-0485 ("Francisco Grande/CP Water Proceeding") an application requesting approval to transfer their CC&Ns and their assets to Palo Verde Utilities Company ("Palo Verde") and Santa Cruz Water Company ("Santa Cruz").

On May 16, 2008, AWC and Global docketed a Settlement Agreement in the Complaint Proceeding (Docket No. W-01445A-06-0200 et al.), which purports to resolve the issues in the Complaint Proceeding, the Contested CC&N Proceedings, and the Francisco Grande/CP Water Proceeding.

On June 16, 2008, AWC and Global filed a Motion to Consolidate ("Joint Motion"). The Joint Motion requested consolidation of the Complaint Proceeding (Docket Nos. W-01445A-06-0200, SW-20445A-06-0200, W-20446A-06-0200, W-03576A-06-0200, and SW-03575A-06-0200) with the previously consolidated Contested CC&N Proceedings (Docket Nos. W-01445A-06-0199, SW-03575A-05-0926, W-03576A-05-0926, W-03576A-07-0300 and SW-03575A-07-0300), and the Francisco Grande/CP Water Proceeding (Docket Nos. WS-011775A-07-0485, SW-03575A-07-0485, W-02442A-07-0485 and W-03576A-07-0485).

The Joint Motion stated that because the various proceedings involve the same issues of fact and law, and because all of the CC&N expansion areas and transfer issues have been resolved in the Settlement Agreement, the matters should be consolidated. The Joint Motion also stated that consolidation of the various proceedings would allow for a consistent ruling resolving the issues in accordance with the Settlement Agreement, and that the Settlement Agreement amends the CC&N application boundaries for a more coherent and unified approach to utility planning in the Pinal County area.

On June 24, 2008, Staff filed a response to AWC and Global's Joint Motion to Consolidate, stating Staff did not oppose consolidation.

By Procedural Order issued August 5, 2008, the Joint Motion was granted and the above-captioned dockets were consolidated.

¹ In Decision No. 69920 (September 27, 2007), the Commission approved the application to transfer the assets and CC&Ns of Palo Verde Utilities Company and Santa Cruz Water Company to Global Water-Palo Verde Utilities Company and Global Water-Santa Cruz Water Company, respectively.

On October 9, 2008, a procedural conference was held to discuss possible hearing dates and scheduling of other filing dates for testimony. The parties agreed to a hearing date beginning February 23, 2009 and other testimony filing dates.

By Procedural Order issued October 21, 2008, the matter was set for hearing to commence on February 23, 2009, publication and mailing of notice of the hearing was ordered, and other filings dates were established.

On January 29, 2009, at Staff's request, a procedural teleconference was conducted with all parties to discuss the possibility of continuing the hearing date.

On January 29, 2009, Staff filed a Request for Continuance. In its Request, Staff indicates that a number of factual issues have developed since AWC and Global filed their testimony of January 12, 2009, and that Staff therefore requires additional time to pursue discovery and prepare responsive testimony. In accordance with the agreement of the parties, Staff requests that the hearing date be changed to June 8, 2009, and that Staff's responsive testimony and AWC/Global rebuttal testimony filing dates be changed to April 10, 2009 and May 8, 2009, respectively.

IT IS THEREFORE ORDERED that the above-captioned consolidated dockets shall be rescheduled for hearing commencing on June 8, 2009, at 9:30 a.m., at the offices of the Commission, 1200 West Washington, Phoenix, Arizona 85007.

IT IS FURTHER ORDERED that the previously noticed hearing date of February 23, 2009, at 9:30 a.m., shall be maintained for the purpose of taking of public comment only.

IT IS FURTHER ORDERED that Staff shall file its responsive testimony by no later than April 10, 2009.

IT IS FURTHER ORDERED that AWC and Global Water shall file rebuttal testimony by no later than May 8, 2009.

IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the

1 Rules of Arizona Supreme Court). Representation before the Commission includes the obligation to 2 appear at all hearings and procedural conferences, as well as all Open Meetings for which the matter 3 is scheduled for discussion, unless counsel has previously been granted permission to withdraw by 4 the Administrative Law Judge or the Commission. 5 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized 6 Communications) continues to apply to this consolidated proceeding and shall remain in effect until 7 the Commission's Decision in this matter is final and non-appealable. 8 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at 10 hearing. 11 Dated this _30 th day of January, 2009. 12 Zudes 13 DWIGHT D. NODES 14 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE 15 Copies of the foregoing mailed/delivered this day of January, 2009 to: 16 Robert W. Geake 17 Mayor Chuck Walton ARIZONA WATER COMPANY CITY OF CASA GRANDE 3805 North Black Canyon Highway 18 510 East Florence Boulevard Phoenix, AZ 85015 Casa Grande, AZ 85222 19 Steven A. Hirsch Graham Symmonds, Senior Vice President Rodney W. Ott GLOBAL WATER MANAGEMENT 20 BRYAN CAVE, LLP 21410 North 19th Avenue, Suite 201 Two North Central Avenue, Suite 2200 21 Phoenix, AZ 85027 Phoenix, AZ 85004 Attorneys for Arizona Water Company 22 Ken Franks ROSE LAW GROUP, PC 23 6613 North Scottsdale Road Suite 200 Timothy J. Sabo Scottsdale, AZ 85250 Michael W. Patten 24 ROSHKA DEWULF & PATTEN, PLC **Brad Clough** One Arizona Center ANDERSON & BARNES 580, LLP 400 East Van Buren Street, Suite 800 ANDERSON & MILLER 694, LLP Phoenix, AZ 85004 26 8501 North Scottsdale Road, Suite 260 Attorneys for Respondents Scottsdale, AZ 85253 27

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